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NOTES AND MEMORANDA.

THE *Athenæum* announces that Thorold Rogers has in hand an important contribution to the early history of the Bank of England, dealing with the first nine years after the incorporation of the bank. Much interesting information is said to be drawn by the writer from original sources, and we may reasonably expect to obtain from his investigations a clear understanding of a period which no historian has dealt with in a satisfactory manner.

THE publication of the *Dictionnaire des Finances*, begun in 1883, under the direction of M. Léon Say, by Messrs. Foyot and Lanjalley, both of the French ministry of finance, has been resumed. Parts five and six appeared in November, and we may now hope for the completion of this elaborate and authoritative work.

IT is announced that the Clarendon Press is now printing the fifth and sixth volumes of the *History of Agriculture and Prices* by Thorold Rogers, this instalment covering the years 1583-1702.

THE courageous proposition made by the Secretary of the Treasury in his annual report, to pay off the greenbacks with surplus revenue, is a return to a policy which was familiar ten years ago, but has since been forgotten. Mr. Bristow, in 1875, understood the resumption act to provide for "the final redemption and removal from the currency of the country of the legal-tender notes as fast as they shall be presented for redemption." Mr. Morrill, in 1876, understood the act to provide "for the redemption of the United States notes, and for the issue of national bank-notes in lieu thereof," creating "a monetary system combined of coin and national bank-notes

redeemable in coin at the demand of the holder, in harmony with the Constitution and the traditional policy of the American people." The final disappearance of the United States notes was understood by both of these secretaries, and probably by the general public, to be the necessary and desirable result of redemption under the act of 1875.

This sound position was abandoned, and the way was opened for making the issue of greenbacks a permanent constituent of the currency, when Mr. Sherman, in his report of 1877, expressed the opinion that under the act "notes, when redeemed after the 1st of January, 1879, if the amount outstanding is not in excess of \$300,000,000, may be reissued as the exigencies of the public service may require." With this opinion governing in the Treasury, it was an easy thing for Congress to go one step farther, and say that not only the \$300,000,000, but all that might happen to be outstanding, should be reissuable from May 31, 1878, by the act of that date,—giving us our present fixed issue of \$346,681,016. From the passage of that momentous act, carried through both Houses without debate, no secretary has ventured to urge upon Congress the complete removal of the greenbacks, until Mr. Manning in his report of 1885, and still more emphatically in that of 1886, called upon Congress to redeem its pledges and pay off the unfunded debt.

THE jubilee year of Queen Victoria's reign is to be marked by a publication which promises to have a good deal of economic interest. This is *The Reign of Queen Victoria. A Survey of Fifty Years of Progress*, to be edited by Mr. Humphry Ward, and issued early in the year by Smith, Elder & Co. The work is to be a collection of monographs, among which are to be:—

National Finances,
Growth and Distribution of Wealth,
Industrial Organization,
Agriculture,
The Iron Trade,
The Cotton Trade,

by Leonard Courtney.
by Robert Giffen.
by A. J. Mundella.
by Sir James Caird.
by Sir Lowthian Bell.
by J. Slagg.

THE extent to which the English gold currency has suffered in weight was measured in July last by weighing in several of the London banks a large amount of coin, in parcels of one hundred sovereigns or half-sovereigns. The leading results were these:—

| | 100 Sovereigns. | 100 Half- sovereigns. |
|-------------------------------------|--------------------|--------------------------|
| Standard weight, | 12,327.45 grs. | 6,163.72 grs. |
| Legal allowed weight, | 12,250.00 | 6,112.50 |
| Actual average weight, | 12,248.00 | 6,063.30 |
| Greatest observed weight, | 12,257.00 | 6,074.00 |
| Least observed weight, | 12,232.00 | 6,047.00 |

The sovereigns then, in parcels of one hundred, range from .9923 — to .9943 — of the full standard weight, and half-sovereigns from .9810 + to .9854 +. A large part of the sovereigns and every parcel of half-sovereigns were so far below the standard as to be no longer a legal tender.

This evil appears to have advanced rapidly of late; but its existence has been observed for years, and the necessity of applying some remedy has long been recognized. But we believe that no Chancellor of the Exchequer has had the courage to propose a direct appropriation of money for the reformation of the gold coinage. The scheme of Mr. Childers for meeting the cost of reform by debasing the half-sovereign, and making it legally a token only, was a fair enough illustration of the disposition of English statesmen to shirk the cost of a real cure.

If the English government should at last deal with this subject by calling in the present gold circulation, it is hardly probable that the half-sovereign would be issued again. The *Economist*, indeed, proposes its withdrawal and the substitution of subsidiary silver in its place, the profit on such an issue being used to establish a fund with which to keep the issue of sovereigns in good condition hereafter. It will be observed that in France the gold five-franc pieces were withdrawn from circulation during the last year, and that the Bank of France was understood to retain all ten-franc pieces received, with a view, as was supposed, to their ultimate withdrawal by the French Mint. Both in France and in England, the chance of making a small addition to the market for silver will be one

of the considerations in favor of discontinuing the use of a gold coin which happens to have special inconveniences in use.

THE September number of the *Giornale degli Economisti* contains an article by Signor Rosmini, inspector-general of the treasury, on the measure by which the Italian government is seeking to counteract some of the evil effects of the public lottery, from which a discreditable revenue is drawn by the State. The measure referred to is an Act passed in 1880, under the lead of Magliani, providing that prizes of less than one thousand francs, on request of the payee, shall be converted into deposits in the postal savings bank, drawing interest at three and one-half per cent. from the date of application. The provision was applied to the smaller prizes, because it was found that the increase in the number of tickets sold was due to the greater number of small ventures made by the poorer class of people, showing that the evil is spreading where saving most needs encouragement.

The Italian statesmen appear to have entertained moderate hopes as to the success of this mild remedy. They trusted that the sight of a deposit book where it had been unknown previously might do something, and that here and there the inducement to future economy might begin to compete with the passion for gambling. The results, according to Signor Rosmini, have shown the wisdom of indulging in few illusions, as may be seen from the figures:—

| | Prizes not over 1,000 fr. | | Prizes converted into deposits. | |
|--------------|---------------------------|------------|---------------------------------|---------|
| | No. | Amount. | No. | Amount. |
| 1881 [half]. | 960,621 | 19,794,596 | 76 | 9,246 |
| 1882. | 1,703,201 | 36,248,006 | 223 | 28,847 |
| 1883. | 1,608,849 | 35,174,437 | 324 | 47,226 |
| 1884. | 1,761,391 | 36,417,237 | 440 | 74,905 |
| 1885. | 1,801,326 | 38,145,074 | 758 | 147,571 |

Signor Rosmini points out, however, that only one-tenth of the one thousand seven hundred and thirty lottery offices are yet organized so as to transact the business of conversion promptly, that thorough publicity has not been given to the offer of conversion, and that the active influence of the officials is yet to be stimulated; and he has strong hope, there-

fore, of seeing the increase from a small beginning, shown in the above table, lead to important results.

Although the lottery appears to be a permanent resource of the Italian treasury, it is to be noted that it is recognized legally as only a provisional arrangement. The Act of 1863 first forbids public lotteries in general terms, and then declares that "the *giuoco del lotto* is provisionally maintained for the benefit of the State"; and the same phrase is used in an Act of 1881. The existence of the lottery has been deplored, and it has been treated as an immoral resource by one statesman after another; but, in the poverty of Italy, no minister has yet found himself strong enough financially to sacrifice the thirty million francs net which remain after the payment of expenses and of about forty millions in prizes.

A French translation of the Act of 1880, to which Signor Rosmini refers, and of some other regulations on the same subject, may be found in the *Annuaire de Législation Comparée* for 1880, p. 320.

MARSHALL'S THEORY OF VALUE AND DISTRIBUTION.

Now that Mr. Marshall fills the chair at Cambridge vacated by the death of Professor Fawcett, he may properly be considered, for that and other reasons, the foremost economist of the day in England. It is understood that, while still living at Bristol, he had been making special studies in the subject of value. In his volume entitled *Economics of Industry*, he has laid down a fundamental law of value, in the nature of an improvement on the work of Mr. Cairnes. It is, therefore, worth considering whether Mr. Marshall has really advanced our knowledge of the principles regulating value, or not. It seems quite possible that he has not.

After defining value in exchange in the usual way, he gives to the term, cost of production, the meaning contended for by Mr. Cairnes, and defines it as consisting of "the efforts and abstinences required for producing" a commodity (p. 73). In discussing the value of commodities capable of unlimited increase, however, he disagrees with Mr. Cairnes, and denies to cost of production the character of a regulator of value where